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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

Washington, D.C. 20554

In the Matter of

Amendment of Section 73.202(b))
Table of Allotments) MM Docket No. 98-55
FM Broadcast Stations) RM-9255
(Pleasanton, Bandera and Hondo, Texas))

To: Chief, Allocations Branch
Policy and Rules Division
Mass Media Bureau

COMMENTS AND COUNTERPROPOSAL

Reding Broadcasting Company ("Petitioner"), licensee of Station KBUC(FM), Pleasanton, Texas, by its counsel, hereby submits its comments in support of the Notice of Proposed Rule Making ("NPRM"), 13 FCC Rcd 7351 (1998), released April 17, 1998. Petitioner also offers a modification of its petition for rule making which conflicts with the original proposal. The petition requested the substitution of Channel 253C2 for Channel 252A at Pleasanton, Texas with Class A channel substitutions at Hondo and Bandera, Texas. The modified proposal herein requests that the proposal be upgraded to Channel 253C1 as a substitute for Channel 252A. However, since the proposed transmitter site for the Class C1 channel can not provide a 70 dBu signal to Pleasanton, it is necessary to change the community of license. The proposed new community of license is Schertz, Texas. In order to accomplish the upgrade to the Class C1 channel, the same Class A channel substitutions at Hondo and Bandera, Texas as those proposed in the NPRM will be required.

Petitioner's proposal is summarized as follows:

	<u>Channel Number</u>	
	<u>Present</u>	<u>Proposed</u>
Bandera, Texas	252A	276A
Hondo, Texas	253A	290A ¹
Pleasanton, Texas	252A	-----
Schertz, Texas	-----	253C1

In support, Petitioner states as follows:

A. BACKGROUND

1. As stated in the Petition for Rule Making, submitted on January 12, 1998, the proposal to upgrade Station KBUC from Channel 252A to Channel 253C2 was originally filed on December 17, 1990 in MM Docket No. 90-466, 7 FCC Rcd 7610 recons. 13 FCC Rcd 234 (1998), review pending. In view of the Commission's invitation in the MO&O, released January 9, 1998 for Petitioner to refile the proposal so that it could be treated in a new proceeding, the Petitioner did so by filing the instant Petition for Rule Making on the next business day -- January 12, 1998.

2. Since then, Petitioner has undertaken a new study of the proposal and reviewed possible transmitter site locations. Petitioner discovered that it may now be possible for KBUC to increase to a Class C1 station. Petitioner also determined that an existing tower has space available of sufficient height to accommodate a Class C1 station. However, this transmitter site will not provide principal community coverage to Pleasanton. Petitioner has been aware of a desire by the residents of Schertz, Texas for its own radio station and believes that Schertz is an attractive location to provide a first local radio service.

1. The NPRM incorrectly listed the proposed modification to the FM Table of Allotments as remaining on Channel 253A at Hondo. See para. 4. The proposal was correctly published in the Federal Register as Channel 290A. See 63 FR 20583 (1998).

B. TECHNICAL COMPLIANCE

3. As indicated in the attached Technical Narrative of John Furr and Associates, Channel 253C1 can be allotted to Schertz at coordinates -- 29° 31' 25" N and 98° 43' 25" W and provide Schertz with a 70 dBu signal. The channel spacing study indicates that Channel 253C1 at these coordinates is mutually exclusive with the current use of Channel 252A at Pleasanton and the previously requested use of Channel 253C2 at Pleasanton. The study also indicates that channel substitutions will be necessary at Hondo and Bandera, Texas, which remain the same as those submitted in the Petition for Rule Making -- Channel 290A at Hondo and Channel 276A at Bandera. As recognized by the NPRM, both of these proposed channel substitutions have received Mexican concurrence in connection with MM Docket No. 90-466, as did Channel 253C2 at Pleasanton. Petitioner requests that the staff seek Mexican concurrence for Channel 253C1 at Schertz as expeditiously as possible so as not to delay approval of this proposal.

4. As stated in the original petition Channel 276A can be substituted for Channel 252A at Bandera at Station KEEP's current transmitter site. An updated channel study is provided.

5. Station KRBH at Hondo is an unbuilt facility². Channel 290A can be substituted for Channel 253A at a new reference point. The permittee, Five Points Broadcasting, Inc. consented to this channel and site change previously. A copy of the Agreement is resubmitted here.

C. CHANGE IN COMMUNITY OF LICENSE

6. In Amendment of the Commission's Rules Regarding Modification of FM and TV

2. The construction permit for Station KRBH, Hondo, Texas continues to be extended until final action on the channel and site are pending. The application for this channel was originally filed on September 20, 1993. An application to assign the permit to Five Points Broadcasting was filed on June 22, 1995. Requests for extension of the permit and consummation of the assignment have been filed since 1996.

Authorizations to Specify a New Community of License, 4 FCC Rcd 4870 (1989), recons. granted in part, 5 FCC Rcd 7094 (1990) (hereinafter "Community of License"), the Commission stated that the proposed channel must be mutually exclusive with the existing channel and the new community must be preferred over the existing community under the Commission's allotment priorities. The attached technical showing demonstrates that Channel 253C1 at Schertz is mutually exclusive with the current use of Channel 252A at Pleasanton. The new community, Schertz (pop. 10,555) will obtain a first local service whereas Pleasanton (pop. 7,678) will retain existing service from Station KBOP(AM), 1380kHz. Under the Commission's allotment criteria, a first local service to a larger community (Schertz) is preferred over second local service to a smaller community (Pleasanton). See, Revision of FM Assignment Policies and Procedures, 90 FCC 2d 88 (1982). The Commission also requires that the existing community retain local service. As stated, KBOP(AM), licensed to the Petitioner, Reding Broadcasting Company, will continue to serve Pleasanton.

7. In Community of License, supra at 7096, the Commission stated that it was concerned with the potential migration of stations from underserved rural areas to well served urban areas. In making this determination, the Commission has been guided by the criteria set forth in Faye and Richard Tuck, 3 FCC Rcd 5374 (1988).

8. Schertz is located at the fringe of the San Antonio Urbanized Area primarily in Guadalupe County. A small portion of Schertz is located in Bexar and Comal Counties. Accordingly, Petitioner has submitted a Tuck showing which will demonstrate that Schertz is an independent community that deserves its own local radio station.

9. The Commission will consider eight factors in assessing the independence of a specified community: (1) the extent to which the community residents work in the larger

metropolitan area, rather than the specified community; (2) whether the smaller community has its own newspaper or other media that covers the community's local needs and interests; (3) whether community leaders and residents perceive the specified community as being an integral part of, or separate from, the larger metropolitan area; (4) whether the specified community has its own local government and elected officials; (5) whether the smaller community has its own telephone book provided by the local telephone company or zip code; (6) whether the community has its own commercial establishments, health facilities, and transportation systems; (7) the extent to which the specified community and the central city are part of the same advertising market; and (8) the extent to which specified community relies on the larger metropolitan area for various municipal services such as police, fire protection, schools, and libraries. Faye and Richard Tuck, *supra*, at ¶ 36. All eight factors need not favor the applicant; however, if a majority of the factors demonstrate that the specified community is distinct from the urbanized area, the Commission will treat it as an independent community. *Id.*; Parker and St. Joe, Florida, 11 FCC Rcd 1095, ¶¶ 9-11 (1996) (finding that the proposed community was independent, although it lacked its own telephone directory and local newspaper, and was included in the urbanized area's market by Arbitron); accord Jupiter and Hobe Sound, Florida, 12 FCC Rcd 3570, ¶ 3 (1997) (citing Parker and St. Joe, Florida).

10. In this case, a majority of the eight factors unquestionably demonstrate that Schertz is separate and independent from San Antonio:

(1) *Where Residents of the City of Schertz Work.* The City of Schertz provides information based only upon whether the residents of Schertz work in the same MSA. Since the City of Schertz is located in the same MSA as San Antonio, the information was not sufficient to determine what number of residents work in the community as opposed to the larger metropolitan

area. However, due to the fact that there are numerous businesses located in the City of Schertz, it is only reasonable to assume that a substantial number of residents work within the City. See, Business Directory from the City of Schertz website, Exhibit 1.

(2) *The City of Schertz Has Local Publications Covering the Community's Needs and Interests.* The residents of Schertz are served by several publications. All of the local activities of the City of Schertz are covered by *The Herald*, which is a community newspaper published every Thursday. The circulation of *The Herald* within the zip code for the City of Schertz is 3,965. The City of Schertz also publishes its own monthly newsletter. The newspaper used by the City for publications of bids, employment openings, public hearings, and ordinances is the *Sequin-Gazette-Enterprise*, which is published six days a week.

(3) *Community Leaders and Residents Perceive Themselves as Separate From San Antonio.* The City of Schertz has a rich history, dating back to the mid-1800s when European settlers arrived in the area. Sebastian Schertz owned and operated a general store when the railroad was built there in 1876; members of the Schertz family still reside in the city. In 1899 Schertz had its first official Post Office. The Texas State Data Center estimates that the population for Schertz as of January 1, 1997 is 14,014. A number of businesses identify strongly with the City of Schertz and include the word "Schertz" in their name, for example: Schertz Animal Hospital; Schertz Auto Parts; Schertz Bank and Trust; Schertz Beauty Salon; Schertz Bicycle Shop; Schertz Funeral Home; Schertz Tae Kwon Do; Schertz Batting Cages; and Schertz Realty. A conversation with the City Secretary, Ms. Norma Althouse, confirms that the city government perceives itself as being an autonomous community that does not depend on San Antonio for its well being or identity. See

letter from the City Secretary, Exhibit 1. A letter from the City Secretary is enclosed attesting to the separate identity of Schertz.

(4) *The City of Schertz Has Its Own Local Government and Elected Officials.* Schertz was incorporated as a City by the State of Texas in 1958. Its local government functions independently of San Antonio. The City government is a Council-Manager form of government, run by an elected Mayor, five elected City Council members, and a City Manager. The City Council serves as the policy-making body. The City Manager is appointed by the City Council to serve as the Chief Administrative Officer.

According to the City Secretary, the City of Schertz has 144 full-time employees. Key municipal personnel include a Comptroller, Fire Chief, Police Chief, EMS Director, Personnel Director and Economic Development Coordinator, Public Works Director, Tax Assessor/Collector, City Inspector, Librarian, and Building Maintenance Supervisor. The City has a Municipal Court Judge and a City Prosecutor, both of whom are contracted by the City. In addition, the City contracts for a City Engineer and a City Auditor.

(5) *The City of Schertz is Concentrated in One Zip Code and is Served by a Telephone Book Separate from San Antonio.* The zip code for the City of Schertz is 78154. The U.S. Postal Service operates the Schertz Post Office to service the area. Although Schertz does not have its own telephone book, telephone listings for the City of Schertz are included in the Greater Randolph Area phone book, published by United Directory Services, Inc. This phone book includes listings for the City of Schertz and other nearby communities; however, it does not include listings for San Antonio. See cover of Greater Randolph Area phone book, Exhibit 1.

(6) *The City of Schertz Has Numerous Commercial Establishments and Its Own Health Facilities.* There are numerous businesses located within the City of Schertz. See, Business Directory from the City of Schertz website, Exhibit 1. As mentioned above, a number of businesses use "Schertz" in their name. There is also a Schertz Business Association.

The Buffalo Valley Youth Association regularly sponsors programs, which are held at a location with over forty acres of land that has been developed for parks and sports fields. The parks in Schertz provide picnic facilities and playgrounds. Schertz has its own lighted basketball courts and junior olympic-sized swimming pool, which are open to the public throughout the summer months. There is also a city-sponsored 4th of July Jubilee each year.

The City of Schertz is also home to a number of religious and civic organizations. The many churches located in Schertz include the First Baptist Church of Schertz, Good Shepard Catholic Church, Schertz Church of Christ, and Schertz United Methodist Church. Civic organizations include VFW, DAV, American Legion and their auxiliaries, Masons, Knights of Columbus, Lions, Elks, Kiwanis, and Jaycees. There are also several Girl Scout and Boy Scout patrols.

There are over 8,000 hospital beds located within the Schertz area. In addition, there are two medical clinics located in Schertz. S.A.F.E.S. and Metro Ambulance provide ambulance service to city residents. Dental services are offered by several local dentists. Veterinary services are also readily available through the Schertz Animal Hospital and the Tri-County Vet Clinic.

(7) *Extent to which the community and the central city are part of the same advertising market.* The community did not provide any information concerning this factor.

(8) *The City of Schertz Has Its Own Police Department, Fire Department, Schools and Library.* The City of Schertz operates the Schertz Fire Department, the Schertz Police Department,

and the Schertz Public Works Department. The Public Works Department encompasses water billing, streets and parks, the city pool, and the animal control unit. The Schertz-Cibolo-Universal City school district, which includes Schertz Elementary School, provides public education from kindergarten through the twelfth grade. The Schertz Public Library, which offers more than 40,000 volumes of books, has both a genealogy section and a section devoted to historical topics.

11. Unquestionably, Schertz is a vibrant and thriving community which is separate and independent from San Antonio and, as such, has a need for its own local radio station. The Tuck case also considers the relative size and proximity of the central city to the proposed community of license and the signal population coverage. However, the Commission has repeatedly stated that these factors have less significance than evidence of independence. See Headland, AL and Chattahoochee, FL, 10 FCC Rcd 10352 (1995).

12. In addition, the proposed Class C1 station will provide service to 1,389,057 persons in 16,377 sq. kilometers within the proposed 60 dBu contour. The licensed facility currently serves 26,566 person in a 1,740 sq. kilometer area resulting in an increase in population and area as follows:

Area --- +14,637 sq. kilometers

Population --- +1,362,491 persons.

13. There will be a small loss area of 374 sq. kilometers with 1,044 persons. These listeners will continue to receive service from at least five radio stations. See Exhibit C in the Technical Narrative.

14. Petitioner hereby states that should the Commission grant the instant proposal to upgrade Station KBUC from Channel 252A to Channel 253C1 at Schertz, Texas, it will file an application for the facility and construct the station expeditiously. As indicated, Petitioner has

already identified and received reasonable assurance for a new transmitter site location.

15. Alternatively, Petitioner hereby states that if the Commission should decide to deny the Class C1 proposal for any reason, Petitioner continues to support the pending Class C2 upgrade for Pleasanton and, if granted, will file an application for a Class C2 facility and construct the station immediately.

16. Petitioner also restates that it will reimburse Station KEEP(FM), Bandera for the reasonable costs of the channel change and, although the Hondo facility is unbuilt, if there are any expenses related to the channel change, Petitioner will reimburse the permittee. In this regard, in its Petition for Rule Making, Petitioners submitted an agreement which sets forth the consent of the Hondo permittee for a change in transmitter site for the proposed Hondo station to operate on the new channel. That agreement remains in effect and is resubmitted here as part of this modified proposal. Separately, the licensee of Station KEEP, Bandera, James Withers, and the permittee of the Hondo channel, Five Points Broadcasting, Inc. of which James Withers is the principal, is submitting comments expressing its consent to the Bandera and Hondo channel changes and site reference point relocation.

CONCLUSION

17. The public interest will be served by providing a first local service to Schertz, Texas and by the large increase in area and population to be served by this proposal. No station would be adversely affected by this proposal. Indeed both the Bandera station and Hondo permittee would benefit from the new channels. Petitioner is anxious to improve its station to a Class C1 facility. By granting this proposal, the Commission can then dismiss the pending Application for Review in MM Docket No. 90-466 as moot.

Respectfully submitted,

REDING BROADCASTING COMPANY

By:



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and



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June 8, 1998

TECHNICAL NARRATIVE

This technical showing is prepared to support a proposal to change city of license and Class of KBUC from Pleasanton, Texas to Schertz, Texas. This proposal is to render first service to Schertz, Texas.

The proposed reference coordinates are:

29°31'25" N, 98°43'25" W.

This is an existing tower containing one Class C1 FM and two Class C FM stations. According to the 1990 US Census, Schertz, Texas is designated as a "city" and has a population of 10,426 persons.

Exhibit A demonstrates that this site meets all spacings as required by §73.207 of the FCC Rules for this class operation. Exhibit B demonstrates that the entire city of license receives service from the reference coordinates at maximum facilities, as required by §73.315. This site is 61 kilometers from the current authorized site.

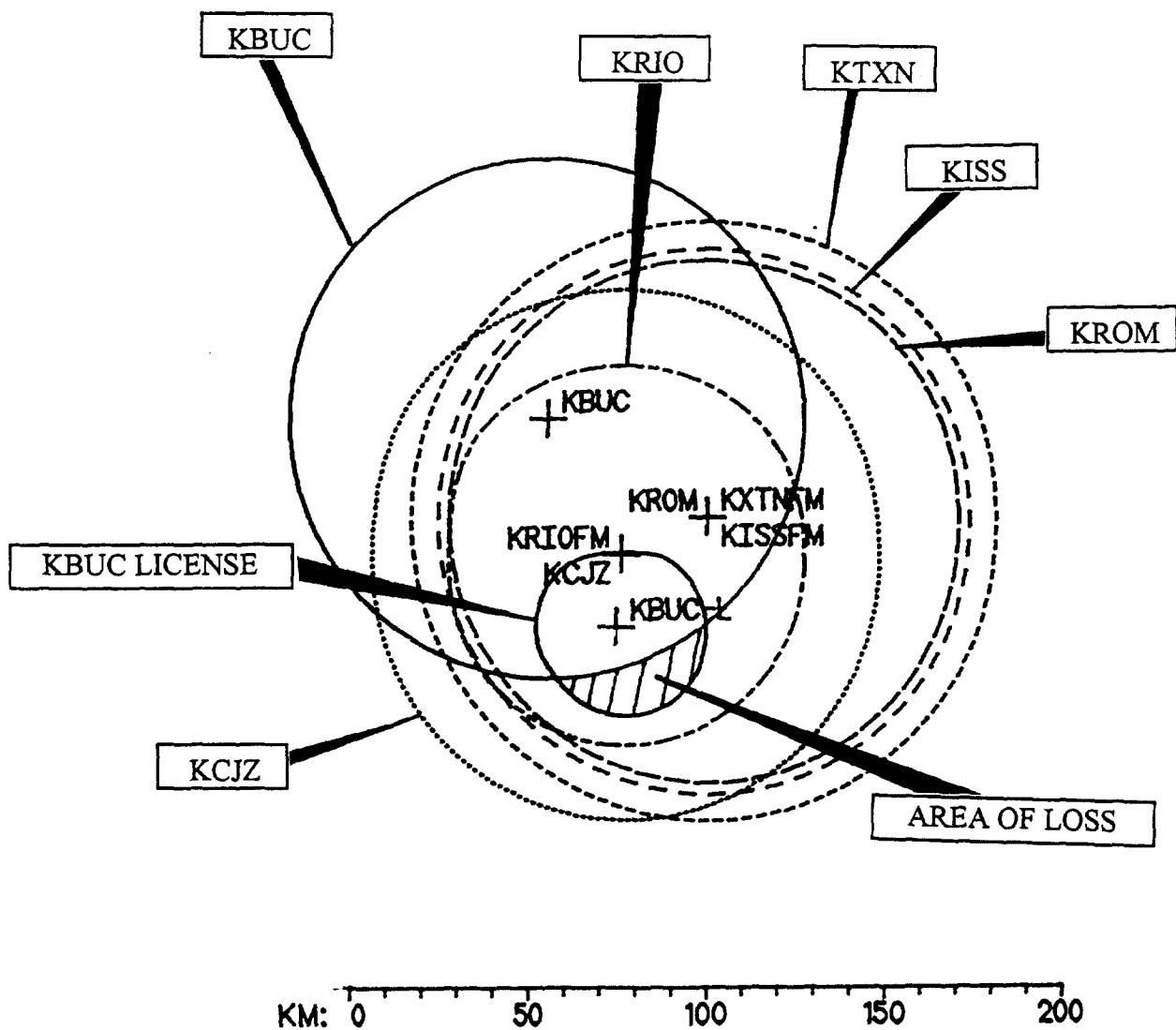
The licensed facility is operating at 3 kW, 91 meters, Class A (BLH-7254). When compared to the Rulemaking site at maximum Class C1 parameters at the new reference coordinates, there is a lost area in the 60 dB μ contour, as is shown in Exhibit C. The entire CP area loss is covered with 5 or more FM services. KBUC(AM) is a full-time service to Pleasanton, Texas.

The licensed facility serves 26,566 persons in 1,740 square kilometer with the 60 dB μ while this proposal will serve 1,389,057 persons in 16,377 square kilometers. The population loss is 1,044 in 374 square kilometers.

My qualifications are a matter of record with the FCC. The above information and attached exhibits are true and correct according to my knowledge and belief.

June 1, 1998


John R. Furr



05-29-1998

John Furr & Associates Inc.

PAGE 1

FM Study for: KBUC	FCC Database Date: 5/98	29-31-25
Location: SCHERTZ, TX	Channel Class: C1	98-43-25
Call City, State	Chan Class Freq kW Latitude Dist.	Required
Status Proponent	File Number HAAT Longitude Azm.	Clear (km)

>>>>>> Study For Channel 253 98.5 mHz <<<<<<<

KBUC	PLEASANTON, TX	253 C2	98.5	29-11-00	38.7	224	
ADD	REDING BROADCASTING	Docket-98-55	0	98-38-00	166.9	-185.3	SHORT
	Use of 73.215 for short spacing requires:	211				-172.3	SHORT

Mexican Concurrence Required
Site Restriction 28.7km Northwest

KBUC	PLEASANTON, TX	253 C2	98.5	29-11-00	38.7	224	
ADD	REDING BROADCASTING	Docket-90-466	0	98-38-00	166.9	-185.3	SHORT
	Use of 73.215 for short spacing requires:	211				-172.3	SHORT

Proposed as Class C to Mexico 960621-Accepted by Mexico 960911
Petition For Reconsideration-Denied by MO&O D90-466 1-9-98
Application for Review 2-6-98

KRBH	HONDO, TX	253 A	98.5	29-15-11	49.1	200	
DEL	REDING BROADCASTING	Docket-98-55	0	99-07-29	232.5	-150.9	SHORT
	Use of 73.215 for short spacing requires:	178				-128.9	SHORT

KRBH	HONDO, TX	253 A	98.5	29-15-11	49.1	200	
DEL	FIVE POINTS BROADCAST	Docket-90-466	0	99-07-29	232.5	-150.9	SHORT
	Use of 73.215 for short spacing requires:	178				-128.9	SHORT

Petition For Reconsideration-Denied by MO&O D90-466 1-9-98
Application for Review 2-6-98

KRBH	HONDO, TX	253 A	98.5	3.00	29-15-11	49.1	200
CP	FIVE POINTS BROADCAST	BPH-930920JC	83	99-07-29	232.5	-150.9	SHORT
	Use of 73.215 for short spacing requires:	178				-128.9	SHORT

KEEP	BANDERA, TX	252 A	98.3	1.65	29-51-22	51.2	133
LIC	JAMES G. WITHERS	BLH-910620KD	131	99-05-25	316.2	-81.8	SHORT
	Use of 73.215 for short spacing requires:	111				-59.8	SHORT

Proposed to Mexico as B on 910620-Accepted by Mexico 920228

KEEP	BANDERA, TX	252 A	98.3	29-51-22	51.2	133	
DEL	REDING BROADCASTING	Docket-90-466	0	99-05-25	316.2	-81.8	SHORT
	Use of 73.215 for short spacing requires:	111				-59.8	SHORT

Petition For Reconsideration-Denied by MO&O D90-466 1-9-98
Application for Review 2-6-98

KEEP	BANDERA, TX	252 A	98.3	29-51-22	51.2	133	
DEL	REDING BROADCASTING	Docket-98-55	0	99-05-25	316.2	-81.8	SHORT
	Use of 73.215 for short spacing requires:	111				-59.8	SHORT

KBUC	PLEASANTON, TX	252 A	98.3	3.00	29-00-01	61.0	133
LIC	ATASCOSA BROADCASTING	BLH-7254	91	98-31-49	162.0	-72.0	SHORT
	Use of 73.215 for short spacing requires:	111				-50.0	SHORT

KBUC	PLEASANTON, TX	252 A	98.3	29-00-01	61.0	133	
DEL	REDING BROADCASTING	Docket-90-466	0	98-31-49	162.0	-72.0	SHORT
	Use of 73.215 for short spacing requires:	111				-50.0	SHORT

Petition For Reconsideration-Denied by MO&O D90-466 1-9-98
Application for Review 2-6-98

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CONSULTANTS

KBUC
PLEASANTON, TX
ALLOCATION STUDY

05-29-1998

John Furr & Associates Inc.

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FM Study for: KBUC
 Location: SCHERTZ, TX

FCC Database Date: 5/98

29-31-25

Channel Class: C1

98-43-25

Call City, State

Chan Class Freq kW Latitude Dist.

Required

Status Proponent

File Number HAAT Longitude Azm.

Clear (km)

KBUC	PLEASANTON, TX	252 A	98.3		29-00-01	61.0	133	
DEL	REDING BROADCASTING	Docket-98-55	0		98-31-49	162.0	-72.0	SHORT
	Use of 73.215 for short spacing requires: 111						-50.0	SHORT
KTXNFM	VICTORIA, TX	254 C1	98.7	100.	28-48-46	179.8	177	
LIC	COSMOPOLITAN ENTERPRI	BLH-850402KR	77		97-03-45	115.6	+2.8	CLOSE
KRXT	ROCKDALE, TX	253 A	98.5	6.0	30-38-32	204.5	200	
LIC	KRXT, INC.	BLH-910724KA	100		97-02-13	52.3	+4.5	CLOSE
NEW	DILLEY, TX	255 C2	98.9	50.0	28-44-51	95.7	79	
CP	DILLEY BROADCASTERS	BPH-930208MD	82		99-09-15	206.1	+16.7	CLEAR
KELI	SAN ANGELO, TX	254 C	98.7	93.	31-22-01	240.6	209	
LIC	EARSHOT BROADCASTING,	BLH-861216KA	393		100-02-48	328.5	+31.6	CLEAR
KVETFM	AUSTIN, TX	251 C1	98.1	100.	30-13-24	116.2	82	
LIC	KVET BROADCASTING COM	BLH-900420KB	209		97-49-39	47.9	+34.2	CLEAR

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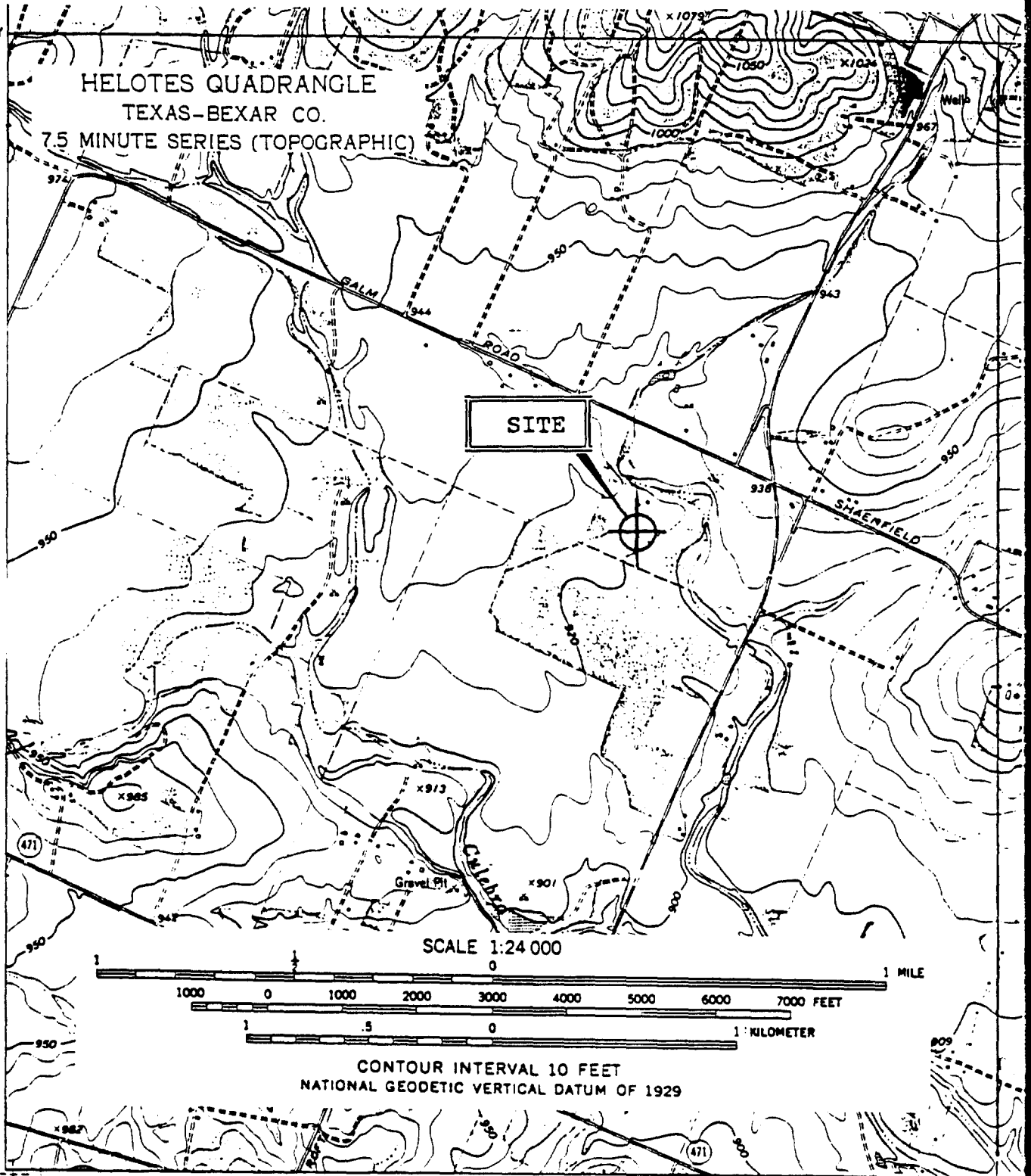
KBUC
 PLEASANTON, TX
 ALLOCATION STUDY

32°30'

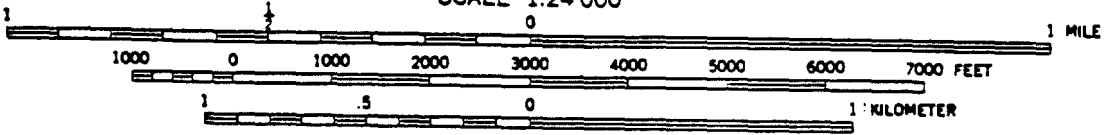
HELOTES QUADRANGLE

TEXAS-BEXAR CO.

7.5 MINUTE SERIES (TOPOGRAPHIC)



SCALE 1:24 000



CONTOUR INTERVAL 10 FEET
NATIONAL GEODETIC VERTICAL DATUM OF 1929

29°30'

98°45'

42°30'

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KBUC
PLEASANTON, TX
SITE MAP

06-08-1998

PAGE 1

FM Study for: KRBH
 Location: HONDO, TX
 Call City, State
 Status Proponent

FCC Database Date: 4/98
 Channel Class: A
 Chan Class Freq kW Latitude Dist.
 File Number HAAT Longitude Azm. Clear (km)

29-21-00

99-15-00

Required

Clear (km)

>>>>>>> Study For Channel 290 105.9 MHz <<<<<<<<

KRBH HONDO, TX 290 A 105.9 29-21-00 0.0 115
 ADD FIVE POINTS BROADCAST Docket-90-466 0 99-15-00 0.0 -115.0 SHORT
 Proposed as Class B1 to Mexico 960621-Restricted allotment capable of
 operating at maximum parameters-Objected to by Mexico 961111-Accepted as
 Class AA by Mexico 970211
 PRM-Site Restricted 10.4km West-Petition for Recon-Denied by MO&O 1-9-98
 Application for Review 2-6-98

ALLOC LEAKEY, TX 291 A 106.1 29-46-21 72.01 72
 ADD KENT FOSTER Docket-97-244 0 99-48-52 310.7 +0.01 CLOSE
 Proposed as Class AA to Mexico 980319
 Counterproposal

KSMG SEGUIN, TX 287 C 105.3 95. 29-16-29 96.11 95
 LIC KISS RADIO OF SAN ANT BLH-850314LP 381 98-15-52 94.7 +1.11 CLOSE

NEW ROUND ROCK, TX 290 C2 105.9 50.0 30-22-55 170.7 166
 APP ELINOR LEWIS STEPHENS BPH-880714ML 150 97-56-17 47.6 +4.7 CLOSE

ALLOC KERRVILLE, TX 291 A 106.1 30-02-48 78.0 72
 ADD THE STRONGHOLD FOUNDA RM-9200 0 99-08-24 7.8 +6.0 CLOSE
 Proposed as Class B to Mexico 971231

NEW ROUND ROCK, TX 290 C2 105.9 4.5 30-19-23 176.9 166 73.215
 APP R. STEVEN HICKS BPH-880714MN 397 97-47-58 52.1 +10.9 CLOSE
 Amended 900119-Application for Review Dismissed by Commission 950316
 amended owner 980220- amended 980305

NEW ROUND ROCK, TX 290 C2 105.9 36. 30-29-17 182.1 166
 APP GRASS ROOTS RADIO, IN BPH-880714NJ 174 97-53-22 45.8 +16.1 CLEAR

ALLOC SABINAS, CI 290 C 105.9 27-50-34 248.0 226
 - 0 101-07-23 228.1 +22.0 CLEAR

ALLOC ROUND ROCK, TX 290 C2 105.9 30-34-05 190.9 166
 VAC Docket-86-442 0 97-51-09 44.6 +24.9 CLEAR
 SITE RESTRICTED 17.9 KM WEST-EFFECTIVE 6-13-88

06-08-1998

PAGE 1

FM Study for: ALLOC
 Location: BANDERA, TX
 Call City, State
 Status Proponent

FCC Database Date: 4/98
 Channel Class: A
 Chan Class Freq kW Latitude Dist.
 File Number HAAT Longitude Azm. Required
 Clear (km)

>>>>>> Study For Channel 276 103.1 mHz <<<<<<<

ALLOC BANDERA, TX 276 A 103.1 29-51-22 0.0 115
 ADD REDING BROADCASTING Docket-90-466 0 99-05-25 0.0 -115.0 SHORT
 Proposed as Class AA to Mexico 960621-Accepted by Mexico 960911
 Petition For Reconsideration-Denied by MO&O D90-466 1-9-98
 Application for Review 2-6-98

NEW KARNES CITY, TX 276 C2 103.1 50.0 28-53-18 165.93 166
 APP KARNES BROADCASTING, BPH-960111AX 122 97-47-11 130.0 -0.07 CLOSE

ALLOC KARNES CITY, TX 276 C2 103.1 28-55-37 166.80 166
 VAC Docket-91-56 0 97-44-19 127.8 +0.80 CLOSE
 Proposed as Class B to Mexico 960621-Accepted by Mexico 961111
 Site Restricted 16.6km East-Effective 12-1-95

ALLOC KARNES CITY, TX 276 C2 103.1 28-55-37 166.80 166
 ADD REDING BROADCASTING Docket-90-466 0 97-44-19 127.8 +0.80 CLOSE
 Petition For Reconsideration-Denied by MO&O D90-466 1-9-98
 Application for Review 2-6-98

KTFM SAN ANTONIO, TX 274 C1 102.7 100. 29-25-09 76.03 75
 LIC WATERMAN BROADCASTING BLH-801009AC 204 98-29-06 129.4 +1.03 CLOSE

NEW KARNES CITY, TX 276 C2 103.1 50. 28-56-31 168.7 166
 APP JOHN C. CARSEY DBA SO BPH-960111MX 150 97-42-02 126.6 +2.7 CLOSE

NEW KARNES CITY, TX 276 C2 103.1 50.0 28-54-12 173.9 166
 APP HUMBERTO LOPEZ D/B/A BPH-960111AS 150 97-40-01 127.0 +7.9 CLOSE

ALLOC CIUDAD ACUNA, CI 276 B 103.1 29-19-33 187.4 178
 - 0 100-55-51 252.2 +9.4 CLOSE

KITE KERRVILLE, TX 222 C2 92.3 44.0 30-07-04 30.7 15
 LIC MEDIA PROPERTIES, LTD BLH-940603KD 123 99-11-40 340.9 +15.7 CLEAR

KCSE BALLINGER, TX 276 C1 103.1 100. 31-39-37 221.7 200
 APP SEC-CESS BROADCASTING BPH-980129IC 139 100-05-23 334.7 +21.7 CLEAR

One-Step Application-From channel 276A
 Domestic and International don't correspond-ERP is higher than that
 allowed by the international agreement

KEYIFM SAN MARCOS, TX 278 C 103.5 96. 30-02-42 118.6 95
 LIC CLEAR CHANNEL RADIO L BLH-880113KA 383 97-52-50 79.5 +23.6 CLEAR

ALLOC LLANO, TX 275 A 102.9 30-42-24 99.1 72
 ADD ELGIN FM LIMITED PART - 0 98-46-23 17.9 +27.1 CLEAR
 Proposed as Class B to Mexico 980211
 Site Restriction 10.4km Southwest

KOOV COPPERAS COVE, TX 276 C3 103.1 8.6+ 31-05-05 174.6 142 73.215
 LIC CENTROPLEX COMMUNICAT BLH-931229KC 170 97-57-07 38.5 +32.6 CLEAR

STATE OF TEXAS

A G R E E M E N T

COUNTY OF BEXAR

This Agreement ("Agreement") is entered into this 13th day of March, 1995, by and among Five Points Broadcasting, Inc., a Texas corporation ("Five Points"), James G. Withers, of Carrollton, Texas ("Withers"), Reding Broadcasting Company, Inc., a Texas corporation ("RBC") and John W. Barger, of San Antonio, Texas ("Barger"). The parties agree as follows:

1. Five Points is the owner and licensee of Radio Station KRBH(FM), Hondo, Texas ("KRBH"); and James G. Withers is the President and sole shareholder of Five Points. James G. Withers individually is the owner and licensee of Radio Station KEEP(FM), Bandera, Texas ("KEEP"). RBC is the owner and licensee of Radio Station KBUC-FM, Pleasanton, Texas ("KBUC"). Five Points, RBC, and Withers agree to cooperate in an effort to secure from the Federal Communications Commission ("Commission" or "FCC") and other government bodies authorizations needed for KBUC to upgrade from Class A to Class C2, and Five Points, RBC and Withers each represents and warrants that it or he has the capacity and authority to enter into this Agreement and to be bound by its terms, and knows of no reason why, with such cooperation, the FCC will not grant such authorization.
2. Five Points and Withers agree that the frequency and antenna location of KRBH, and the frequency of KEEP, will be changed to accommodate the KBUC upgrade. Five Points and Withers have designated John Furr as their Technical Consultant and Gene Bechtel as their Communications Counsel for the work required to secure FCC authorizations for changing the frequencies of KRBH and KEEP and changing the antenna location of KRBH. Subject to Paragraphs 20 and 21, RBC will pay any fees or others charges rendered by John Furr and/or Gene Bechtel in regard to such work, and RBC will pay to Withers the sum of \$6,000.00 to be used for the purchase of a new frequency replacement antenna for KEEP. Any other expenses and costs incident to these changes and replacements shall be borne by Five Points and Withers.
3. Five Points and Withers shall notify the FCC of their agreement in Paragraph 2, above, and shall support the petitions, applications and other filings with the FCC and other government bodies by RBC to secure the KBUC upgrade. RBC shall not petition for further reconsideration or review, shall not appeal, and shall allow to become final the FCC's Memorandum Opinion and Order in Big Pine Broadcasting, Inc., FCC 95-38, released February 13, 1995, denying RBC's application for review filed September 23, 1993, of the FCC's action granting applications for assignment of KEEP and KRBH (and a companion Hondo, Texas, AM) broadcast authorizations to Withers and Five Points, respectively.
4. Upon entering into this Agreement, RBC is paying to Five Points or Withers (as directed by them) the sum of \$11,750.00, receipt of which is acknowledged.

Handwritten signatures:
JW
Barger
Furr

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5. Commencing April 1, 1995, and concluding with the date of the issuance by "Final Orders" (no longer subject to appeal or reconsideration) of all FCC authorizations needed for construction of the KBUC upgrade upon terms and conditions which RBC and Barger, in their sole discretion, do not reject, RBC shall pay to Five Points or Withers (as directed by them) the sum of \$1,750.00 per month for a minimum of 11 months and not to exceed 22 months.

6. Upon the issuance by "Final Orders" of all FCC authorizations needed for construction of the KBUC upgrade upon terms and conditions which RBC and Barger in their sole discretion do not reject, RBC shall pay to Five Points or Withers (as directed by them) the sum of \$229,000.00 by corporate note payable in 120 equal monthly payments of \$2,778.40, with interest on the unpaid balance calculated at 8.0% per annum. At any time, this obligation may be discharged without penalty by payment in full of the remaining principal. The corporate note shall be secured in a separate security agreement by a second lien position in the KBUC assets which may be pledged under the rules and regulations of the FCC, fully subordinate to no more than an aggregate total of \$750,000.00 in security obligations existing or thereafter created in the financing and/or re-financing of existing and after-acquired KBUC assets and provision of working capital for KBUC.

7. This Agreement may not be assigned by Five Points or Withers without the consent of RBC and Barger, provided that if the proposed assignee shall agree to abide by the provisions of this Agreement, the consent of RBC and Barger may not be unreasonably withheld. However, Withers shall have the unconditional right to assign this Agreement to a corporation or partnership so long as majority control of such corporation or partnership remains with Withers (or upon Withers' death or incapacity, with his heirs, trustees, or beneficiaries), but only if the proposed assignee or successor shall agree to abide by the provisions of this Agreement.

8. In the event of assignment or transfer control of KRBH and/or KEEP, the assignee or transferee shall be bound by the terms of this Agreement, and subsequent assignees and transferee of KRBH and KEEP shall also be bound by the terms of this Agreement. In any assignment or transfer of control of the station authorizations of KRBH and/or KEEP, Five Points and Withers shall by contract require the assignee or transferee to agree (a) to the terms of this Agreement and (b) to require similar agreements in all future contracts for assignment or transfer of the stations throughout the term of this Agreement.

9. In the event of breach of the provisions of Paragraph 8, in addition to other remedies for the breach, RBC, with the concurrence of Barger, or Barger individually (so long as

[Handwritten signatures]
JAN 1995

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they are not in breach of this Agreement) shall have the assignable right of first refusal to match the terms and provisions of the contract for assignment or transfer and acquire the station or stations involved in the breach.

10. In the event of the death or incapacity of Withers and should his heirs or assigns determine to sell one or both of the stations, RBC, with the concurrence of Barger, or Barger individually shall have the assignable right of first refusal to match the terms and provisions of the contract and acquire the station or stations involved.

11. In the event of financial receivership, bankruptcy or similar proceeding, to the extent Five Points and Withers can lawfully do so, they grant to RBC, with the concurrence of Barger, or Barger individually an assignable option to acquire the station or stations involved in the proceeding for the sum of \$10.00 and assumption of the liabilities then due and owing relative to such station or stations.

12. The rights of RBC and Barger under Paragraphs 9, 10 and 11 shall not be assignable except to a successor-holder of the FCC license for KBUC that assumes and abides by all the provisions of this Agreement. Failure by RBC and/or Barger to exercise any of the rights of first refusal or to acquire in Paragraphs 9, 10, and/or 11, shall not be deemed a waiver by RBC and/or Barger of the obligations placed upon the licensees or subsequent-licensees of KEEP and KRBH by this Agreement.

13. Withers and Five Points warrant and represent there presently exists no agreement or security or other right which impairs the rights of RBC and Barger under this Agreement. Withers and Five Points agree that during the term of this Agreement no creditor or successor licensee of KEEP or KRBH shall be granted any security or other right that would impair the rights of RBC and Barger under this Agreement. Withers and Five Points agree to make available upon request of RBC or Barger a complete listing of all secured debt of KEEP and KRBH as well as copies of the debt documents. The creation of a purchase-money security interest in favor of any vendor of equipment to KEEP and/or KRBH, or the lease of any equipment for either station, shall not be deemed a breach of this Paragraph 13, so long as the security pledged is limited to the equipment so obtained and no agreement or security or other right is created which impairs the rights of RBC and Barger under this Agreement.

14. Barger shall personally guarantee the obligation of RBC to make the first 11 monthly payments under Paragraph 5. This is a guarantee of payment, not collection, and may be enforced without first pursuing collection efforts against RBC.

[Handwritten signatures]
J.W.R.

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15. RBC with the concurrence of Barger or Barger individually shall have the right to terminate this Agreement if, in their or his sole discretion, they or he determines that a proposed upgrade for KBUC satisfactory to them or him will not be secured within a reasonable period of time. Upon such termination, the rights and obligations of the parties under this Agreement shall terminate except for the obligation of RBC to make the first 11 monthly \$1,750.00 payments under Paragraph 5, above, and Barger's guarantee of the payment of same. Each amount paid to Withers and/or Five Points (as directed by them) prior to the termination of this Agreement by either RBC or Barger shall be non-refundable so long as neither Withers nor Five Points is in breach of the terms of this Agreement at the time of receipt of such payment.

16. Unless terminated under Paragraphs 15 or 19 hereof, or by mutual agreement, this Agreement shall terminate February 1, 1997, provided however that in the event the FCC does not issue by "Final Orders" the necessary authorizations referred to in Paragraph 6, above, by February 1, 1997, RBC or Barger may extend this Agreement on a month-to-month basis by the payment of \$700.00 monthly on or before February 1, 1997 and on or before the first of each succeeding month to Five Points or Withers (as directed by them). The final extension available to RBC or Barger is for the month of January, 2005, and none thereafter.

17. If RBC sells or transfers majority control of KBUC at any time after the upgrade has been approved by the FCC by "Final Orders," RBC shall pay to Five Points or Withers (as directed by them) the entire unpaid amount required in Paragraph 6, above, at the closing of such transaction. The amount to be paid shall be calculated in accordance with the provisions of Paragraph 6, above. The requirements of this Paragraph 17, shall not apply in the event more than 50% of the beneficial ownership of any successor-licensee of KBUC is held by Reding, Barger, Gene Bechtel of Washington, DC., and/or John Furr, of San Antonio, Texas, their heirs, business entities or trusts in which one or more of them or their heirs have a beneficial ownership or interest, or in the case of Gene Bechtel, partners in his professional firm.

18. Five Points and Withers shall timely file and vigorously prosecute all required applications for extension of time to complete construction of KRBH, and RBC and/or Barger will support such applications.

19. Five Points and Withers shall have the unilateral right to terminate, and shall then be released from their obligations under, this Agreement at any time that (a) RBC and/or Barger fail to fulfill their obligations under Paragraphs 4 and 5 of this Agreement, or (b) the FCC rules that Five Points may no longer postpone construction of KRBH pending a decision on petitions and applications to upgrade KBUC. In the event of termination

BR
FW

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by Five Points or Withers under this Paragraph 19, they may retain any payments received from RBC and/or Barger to the date of termination, but RBC and Barger shall be released from any further payment or other obligations under this Agreement, provided, however, that neither RBC, Barger nor any of their principals shall participate in, or encourage any party to make, any filing with the FCC or any other governmental body opposing the construction and operation of KRBH. In the event of such termination, RBC and/or Barger shall not oppose construction or operation of KRBH, however, they may continue to urge the FCC to require KRBH and KEEP to change frequency and/or to change transmitter location to accommodate an upgrade of KBUC, which Five Points and Withers (and successor-licensees of KRBH and KEEP, if any) shall support and in no case shall oppose.

20. Only in the event the FCC rules that Five Points may no longer postpone construction of KRBH pending a decision on petitions and applications to upgrade KBUC may Five Points construct KRBH, and thereafter should the upgrade for KBUC be authorized by "Final Orders" of the FCC requiring a modification of the actual facilities of KRBH in place, then Five Points shall be entitled to receive reimbursement from RBC of reasonable expenses involved in the modification of the KRBH facilities. The reimbursement shall be limited to only the cost of moving the equipment, transmission lines, studio-transmitter-link, and broadcast antenna, the cost of construction of a transmitter housing facility to accommodate only the KRBH equipment, like-kind (used-for-used) replacement of the broadcast antenna if necessary, crystal replacement and re-tuning the transmitter if necessary, but not the acquisition of realty nor the differential in or duplication of ground or tower rental. Any additional reimbursement which otherwise might have been permitted or required under FCC rules and policies in effect at the time of the modification shall be deemed to have been satisfied by a portion of the sums already paid to Five Points and/or Withers (as directed by Five Points and Withers) under the terms of this Agreement. The total amount of such reimbursement (as required by this Paragraph 20) shall be deducted from principal of the \$229,000.00 note in Paragraph 6, and the monthly payments on the note shall be reduced to the amount required to amortize the note over 120 consecutive monthly payments at 8.0% per annum interest.

21. Only under the circumstances above in Paragraph 20, shall RBC be liable for reimbursement to the then-licensee of KRBH for expenses incurred in modification of the KRBH facilities to accommodate the upgrade of KBUC. Otherwise, a portion of the sums paid by RBC to Five Points and/or Withers (as directed by Five Points and Withers) shall be deemed to be advance reimbursement for all reasonable expenses permitted or required under FCC rules and policies in effect at the time of the modification for the modification of the KRBH facilities.

[Handwritten signatures]
JW Bv
L.W.H.

22. The obligations of Five Points, Withers, and RBC are unique and essential rights of Five Points, Withers, RBC and/or Barger which are not adequately remedied by monetary damages. Accordingly, the parties agree that specific performance of such obligations in this Agreement may be obtained by Five Points, Withers, RBC and/or Barger in a court of competent jurisdiction in addition to other remedies at law, if so desired by the petitioning party.

23. Notices regarding this Agreement shall be sent or delivered by receipted mail, receipted Federal Express, or courier to the addresses furnished by the parties to each other for that purpose. Until changed, those addresses are as follows: Five Points and Withers: 1300 Edgewood Court, Carrollton, Texas 75007; RBC: c/o L. W. Reding, 215 North Main Street, Pleasanton, Texas 78064; RBC: 215 North Main Street, Pleasanton, Texas, 78064; and, Barger: Suite 330, 7800 NW, Interstate 10, San Antonio, Texas 78230; with copies of notices to Five Points or Withers sent to Peter Tannenwald, Suite 400, 1320 - 18th Street, N.W., Washington, D.C. 20036; and with copies of notices to RBC or Barger sent to Gene A. Bechtel, Suite 250, 1901 L Street, N.W., Washington, D.C. 20036.

24. This Agreement: represents the entire agreement among the parties with respect to the subject matter hereof; may be amended only in writing signed by the parties affected by the amendment; shall be binding upon the heirs, successors and assigns of the parties; may be signed in counterpart; and, to the extent not governed by Federal law, shall be construed under the laws of the State of Texas applicable to transactions conducted entirely within the State, and venue for any State action shall be in a court of competent jurisdiction in Bexar County, Texas.

Agreed to and accepted this 13th day of March, 1995.

Five Points Broadcasting, Inc.

By


James G. Withers, President


James G. Withers, Individually

Reding Broadcasting Company, Inc.

By


L. W. Reding, President


John W. Barger, Individually